

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
	:
	:
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**FINAL FEE APPLICATION OF REILLY POZNER LLP FOR  
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
AND REIMBURSEMENT OF EXPENSES**

SUMMARY SHEET PURSUANT TO UNITED STATES TRUSTEE GUIDELINES FOR  
REVIEWING APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT OF  
EXPENSES FILED UNDER 11 U.S.C. SECTION 330

Name of Applicant:	<u>Reilly Pozner LLP</u>
Authorized to Provide Professional Services to:	Lehman Brothers Holdings Inc.
Date of Retention:	August 2006 <i>nunc pro tunc</i>
Period for which compensation and reimbursement are sought:	January 19, 2009 to March 5, 2012
Fees Previously Requested:	\$8,900,831.00
Fees Previously Awarded:	\$8,038,361.57
Fees Remaining Unpaid:	\$585,412.02
Expenses Previously Requested:	\$814,929.41
Expenses Previously Awarded:	\$754,282.23
Expenses Remaining Unpaid:	\$59,753.77
Total of Final Fees and Expenses Sought as actual, reasonable and necessary <sup>2</sup>	\$645,165.79 <sup>1</sup>

This is a(n):      ☐ Monthly    ☐ Interim      ☒ Final Application

<sup>1</sup> Fees and expenses requested are previously disputed fees and hold back amounts not yet paid. The final amount reflects Stipulated reductions of \$277,027.41.

<sup>2</sup> RP timely filed interim applications with the Court which detail the amount of fees and expenses requested for each respective period.

Reilly Pozner - Final Fee Application Summary

Application Period covered	Value of Fees	Value of Expenses	Fees Requested	Expenses Requested	Fees Paid	Expenses Paid	RP Agreed Deduction	Disputed Fees/Exp
First Interim 9/15/08 - 1/31/09	\$512,726.50	\$33,888.61	\$464,631.00	\$33,888.11	\$461,667.56	\$33,888.11	\$2,963.44	\$0.00
Second Interim 2/1/09 - 5/31/09	\$462,136.00	\$74,899.82	\$447,802.00	\$74,899.82	\$441,873.52	\$74,755.31	\$6,072.99	\$0.00
Third Interim 6/1/09 - 9/30/09	\$624,456.50	\$86,725.69	\$616,286.00	\$86,009.37	\$593,115.36	\$31,927.11	\$9,639.18	\$67,613.72
Fourth Interim 10/1/09 - 1/31/10	\$737,627.50	\$62,089.90	\$710,528.00	\$62,023.14	\$678,111.42	\$62,023.14	\$9,743.91	\$22,672.67
Fifth Interim 2/1/10 - 5/31/10	\$1,084,528.50	\$113,127.60	\$1,068,857.50	\$113,127.60	\$999,282.00	\$113,127.60	\$30,420.25	\$39,155.25
Sixth Interim 6/1/10 - 9/30/10	\$1,414,123.50	\$102,944.58	\$1,408,852.00	\$102,855.36	\$1,328,796.27	\$102,855.36	\$80,055.73	\$0.00
Seventh Interim 10/1/10 - 1/31/11	\$1,421,564.00	\$128,810.00	\$1,419,957.50	\$128,810.00	\$1,368,691.25	\$128,810.00	\$51,266.25	\$0.00
Eighth Interim 2/1/11 - 5/31/11	\$1,174,305.00	\$88,819.63	\$1,171,284.50	\$88,819.63	\$937,035.20	\$88,819.63	\$62,806.22	\$171,443.08
Ninth Interim 6/1/11 - 9/30/11	\$911,962.00	\$60,499.46	\$869,985.50	\$60,499.30	\$696,134.51	\$60,499.30	\$24,059.44	\$149,791.55
Tenth Interim 10/1/11 - 3/5/12	\$757,865.00	\$63,124.12	\$722,647.00	\$63,073.67	\$533,654.48	\$57,576.67	\$0.00	\$194,489.52
<b>Totals:</b>	<b>\$9,101,294.50</b>	<b>\$814,929.41</b>	<b>\$8,900,831.00</b>	<b>\$814,006.00</b>	<b>\$8,038,361.57</b>	<b>\$754,282.23</b>	<b>\$277,027.41</b>	<b>\$645,165.79</b>

**2009 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

<b>PROFESSIONAL NAME</b>	<b>TITLE</b>	<b>YEAR ADMITTED</b>	<b>HOURS</b>	<b>RATE</b>	<b>FEES</b>
Wendy B. Fisher	Partner	1996 (CO)	1.40	425.00	595.00
Anthony L. Giacomini	Partner	1995 (CO)	3.90	425.00	1,657.50
Jason M. Lynch	Partner	2003 (MA) 2004 (NY)	24.00	310.00	7,440.00
Kent C. Modesitt	Partner	1999 (CO)	255.70	375.00	95,887.50
Larry S. Pozner	Partner	1973 (CO)	3.50	500.00	1,750.00
Daniel M. Reilly	Partner	1981 (CO)	2.60	500.00	1,300.00
Michael A. Rollin	Partner	2003 (CO) 2007 (CA) 2010 (NY)	162.10	375.00	60,787.50
Kyle C. Velte	Partner	1999 (CO)	243.00	350.00	85,050.00
Malia Arrington	Associate	2003 (CO)	6.40	310.00	1,984.00
Mark Bailey	Associate	2005 (CO)	250.40	290.00	72,616.00
Farrell Carfield	Associate	2006 (CO)	27.10	250.00	6,775.00
Caleb Durling	Associate	2007 (CO)	25.30	240.00	6,072.00
Molly Ferrer	Associate	2006 (CO)	2.70	250.00	675.00
Marisa Hudson-Arney	Associate	2001 (CO)	114.00	310.00	35,340.00
Clare S. Pennington	Associate	2006 (CO)	0.90	250.00	225.00
Glenn Roper	Associate	2007 (CO)	234.60	290.00	68,034.00
Katie A. Roush	Associate	2007 (CO)	592.10	240.00	142,104.00
Matthew D. Spohn	Associate	2001 (CO)	1,357.80	310.00	420,918.00
Lindsay A. Unruh	Associate	2004 (CO)	89.20	290.00	25,868.00
Echo Ryan	Staff Attorney	2007 (CO)	979.60	200.00	195,920.00
Jennifer J. Bulmer	Paralegal	N/A	921.30	170.00	156,621.00
Mitzi G. Burkitt	Paralegal	N/A	1.50	190.00	285.00

**2009 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME	TITLE	YEAR ADMITTED	HOURS	RATE	FEES
Kenneth H. Nakamura	Paralegal	N/A	191.00	105.00	20,055.00
Camilla O'Keefe	Administration	N/A	35.80	150.00	5,370.00
Michelle O'Neill	Paralegal	N/A	5.60	170.00	952.00
Kathleen M. Porter	Paralegal	N/A	1,607.80	170.00	273,326.00
Sonia N. Siewert	Paralegal	N/A	70.00	100.00	7,000.00
Larry Walsh	Paralegal	N/A	287.90	85.00	24,471.50
Elizabeth A. Wimmer	Paralegal	N/A	4.80	180.00	864.00
Mainak D'Attaray	Law Clerk	N/A	97.30	120.00	11,676.00
Zachary Mountin	Law Clerk	N/A	15.60	120.00	1,872.00
Rebecca Rizzuti	Law Clerk	N/A	15.70	120.00	1,884.00
Jenny Van	Law Clerk	N/A	5.50	120.00	660.00
Alejandra Duflos	Administration	N/A	115.50	70.00	8,085.00
Lisa K. Hunter	Administration	N/A	17.00	70.00	1,190.00
Ann L. Romanelli	Administration	N/A	5.10	70.00	357.00
Meranda Vieyra-Blass	Administration	N/A	3.10	70.00	217.00
			<b>7,776.80</b>		<b>\$1,745,884.00</b>

**2010 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME	TITLE	YEARADMITTED	HOURS	RATE	FEES
Anthony L. Giacomini	Partner	1995 (CO)	285.00	425.00	121,125.00
Jason M. Lynch	Partner	2003 (MA) 2004 (NY)	127.90	350.00	44,765.00
Larry S. Pozner	Partner	1973 (CO)	0.20	550.00	110.00
Daniel M. Reilly	Partner	1981 (CO)	8.80	550.00	4,755.00
Michael A. Rollin	Partner	2003 (CO) 2007 (CA) 2010 (NY)	390.30	375.00	146,362.50
Kyle C. Velte	Partner	1999 (CO)	608.70	350.00	213,045.00
Malia Arrington	Associate	2003 (CO)	251.30	325.00	81,672.50
Mark Bailey	Associate	2005 (CO)	245.00	300.00	73,500.00
Farrell Carfield	Associate	2006 (CO)	141.40	300.00	42,420.00
Caleb Durling	Associate	2007 (CO)	127.20	260.00	33,072.00
Molly Ferrer	Associate	2006 (CO)	3.80	300.00	1,140.00
Amy R. Gray	Associate	2009 (CO)	27.70	240.00	6,648.00
Marisa Hudson-Arney	Associate	2001 (CO)	1,261.60	325.00	410,020.00
Michael T. Kotlarczyk	Associate	2008 (IL) 2011 (CO)	11.60	250.00	2,900.00
Glenn Roper	Associate	2007 (CO)	325.20	300.00	97,472.00
Katie A. Roush	Associate	2007 (CO)	659.40	260.00	171,444.00
Matthew D. Spohn	Associate	2001 (CO)	1,423.10	325.00	462,507.50
Sam S. Bacon	Staff Attorney	2009 (CO)	335.60	200.00	67,120.00
Chandler Kelley	Staff Attorney	2009 (CO)	989.20	200.00	131,465.00
Ellie Lockwood	Staff Attorney	2011 (CO)	74.00	120.00	8,880.00
Ryann B. MacDonald	Staff Attorney	2009 (CO)	1,191.20	200.00	238,240.00
Kelly R. March	Staff Attorney	2009 (CO)	1,336.20	200.00	267,240.00

**2010 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

<b>PROFESSIONAL NAME</b>	<b>TITLE</b>	<b>YEAR ADMITTED</b>	<b>HOURS</b>	<b>RATE</b>	<b>FEES</b>
Ty McKinstry	Staff Attorney	2009 (CO)	306.50	200.00	61,300.00
Michael P. Robertson	Staff Attorney	2009 (CO)	115.50	75.00	8,662.50
Echo Ryan	Staff Attorney	2007 (CO)	117.80	200.00	23,560.00
Sage Schoenfeld	Staff Attorney	2009 (CO)	133.90	225.00	30,127.50
Michael Thompson	Staff Attorney	2009 (CO)	11.50	75.00	862.50
Chad Johnson	Document Reviewer	2010 (CO)	46.00	75.00	3,450.00
Keenan E. Lorenz	Document Reviewer	2009 (CO)	58.90	75.00	4,417.50
Jennifer J. Bulmer	Paralegal	N/A	1,402.80	180.00	252,504.00
Shannon L. Coggins	Paralegal	N/A	950.70	105.00	99,823.50
Shanon R. DeBelle	Paralegal	N/A	17.40	170.00	2,958.00
Amanda Makin	Paralegal	N/A	34.20	75.00	2,565.00
Kenneth H. Nakamura	Paralegal	N/A	146.70	110.00	16,137.00
Michelle O'Neill	Paralegal	N/A	17.40	180.00	3,132.00
Kathleen M. Porter	Paralegal	N/A	1,357.90	180.00	244,422.00
Larry Walsh	Paralegal	N/A	697.10	95.00	66,034.50
Elizabeth A. Wimmer	Paralegal	N/A	523.00	190.00	99,370.00
Diane Casebeer	Contract Paralegal	N/A	138.40	90.00	12,456.00
Lori Christensen	Contract Paralegal	N/A	26.20	90.00	2,358.00
Linda King	Contract Paralegal	N/A	183.80	90.00	16,542.00
Raul Chacon	Law Clerk	N/A	16.90	120.00	2,028.00
Anna Dronzek	Law Clerk	N/A	74.10	120.00	8,892.00
Nefertari Kirkman-Bey	Law Clerk	N/A	29.00	120.00	3,480.00

**2010 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME	TITLE	YEARADMITTED	HOURS	RATE	FEES
Logan Martin	Law Clerk	N/A	0.40	120.00	48.00
Zachary Mountin	Law Clerk	N/A	24.20	120.00	2,904.00
Brent Owen	Law Clerk	N/A	11.50	120.00	1,380.00
Haley M. Carmer	Administration	N/A	142.20	30.00	4,266.00
Brett A. Colyer	Administration	N/A	159.80	75.00	11,985.00
Alejandra Duflos	Administration	N/A	128.50	70.00	8,995.00
Lisa K. Hunter	Administration	N/A	32.00	70.00	2,240.00
Kelli C. Kosmatka	Administration - IT	N/A	55.20	190.00	10,488.00
Colin P. Pitet	Administration - IT	N/A	36.70	190.00	6,973.00
Scott D. Shadler	Administration - IT	N/A	3.00	190.00	570.00
			<b>16,823.60</b>		<b>\$3,640,834.50</b>



**2011 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME	TITLE	YEARADMITTED	HOURS	RATE	FEES
Anthony L. Giacomini	Partner	1995 (CO)	6.20	450.00	2,790.00
Jason M. Lynch	Partner	2003 (MA) 2004 (NY)	57.50	385.00	22,137.50
Kent C. Modesitt	Partner	1999 (CO)	36.10	425.00	15,342.50
Daniel M. Reilly	Partner	1981 (CO)	0.40	575.00	230.00
Michael A. Rollin	Partner	2003 (CO) 2007 (CA) 2010 (NY)	481.50	400.00	192,600.00
Kyle C. Velte	Partner	1999 (CO)	207.20	375.00	77,700.00
Malia Arrington	Associate	2003 (CO)	48.90	325.00	15,892.50
Caleb Durling	Associate	2007 (CO)	81.90	300.00	24,570.00
Amy R. Gray	Associate	2009 (CO)	134.70	250.00	33,675.00
Olayinka L. Hamza	Associate	2011 (NY)	28.40	250.00	7,100.00
Marisa Hudson-Arney	Associate	2001 (CO)	605.20	350.00	211,820.00
Laurie G. Jaeckel	Associate	2009 (CO)	42.20	250.00	10,550.00
Michael T. Kotlarczyk	Associate	2008 (IL) 2011 (CO)	299.80	250.00	74,950.00
Glenn Roper	Associate	2007 (CO)	87.30	325.00	28,372.50
Katie A. Roush	Associate	2007 (CO)	884.90	300.00	265,470.00
Matthew D. Spohn	Associate	2001 (CO)	1,422.80	350.00	497,980.00
Sam S. Bacon	Staff Attorney	2009 (CO)	1,053.00	200.00	210,600.00
Chandler Kelley	Staff Attorney	2009 (CO)	1,293.90	225.00	291,127.50
Ellie Lockwood	Staff Attorney	2011 (CO)	14.80	120.00	1,776.00
Ryann B. MacDonald	Staff Attorney	2009 (CO)	394.90	225.00	88,852.50
Kelly R. March	Staff Attorney	2009 (CO)	342.90	225.00	77,152.50
Ty McKinstry	Staff Attorney	2009 (CO)	325.70	200.00	65,140.00

**2011 SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

<b>PROFESSIONAL NAME</b>	<b>TITLE</b>	<b>YEARADMITTED</b>	<b>HOURS</b>	<b>RATE</b>	<b>FEES</b>
Jennifer J. Bulmer	Paralegal	N/A	1,040.20	190.00	197,638.00
Shannon L. Coggins	Paralegal	N/A	1,235.20	115.00	142,048.00
Kenneth H. Nakamura	Paralegal	N/A	245.90	115.00	28,278.50
Michelle O'Neill	Paralegal	N/A	2.40	190.00	456.00
Kathleen M. Porter	Paralegal	N/A	864.20	190.00	164,198.00
Larry Walsh	Paralegal	N/A	497.10	95.00	47,224.50
Elizabeth A. Wimmer	Paralegal	N/A	2.30	200.00	460.00
Diane Casebeer	Contract Paralegal	N/A	107.00	90.00	9,630.00
Linda King	Contract Paralegal	N/A	131.40	90.00	11,826.00
Kyle Loving	Contract Paralegal	N/A	19.10	150.00	2,865.00
Shahar A. Atary	Law Clerk	N/A	44.20	120.00	5,304.00
John Dwyer	Law Clerk	N/A	3.30	120.00	396.00
Surbhi Garg	Law Clerk		2.00	120.00	240.00
Mark D. Gibson	Law Clerk		4.40	120.00	528.00
Sara Hildebrand	Law Clerk	N/A	3.80	120.00	456.00
Joshua D. Norcross	Law Clerk	N/A	20.00	120.00	2,400.00
Sam J. Seiberling	Law Clerk	N/A	7.50	120.00	900.00
Haley M. Carner	Administration	N/A	4.50	30.00	135.00
Alejandra Duflos	Administration	N/A	16.00	70.00	1,120.00
Lisa K. Hunter	Administration	N/A	28.00	70.00	1,960.00
Kelli C. Kosmatka	Administration - IT	N/A	2.20	190.00	418.00
Colin P. Pitet	Administration - IT	N/A	128.40	190.00	24,396.00

**SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME TITLE	YEARADMITTED	HOURS	RATE	FEES
Scott D. Shadler Administration - IT	N/A	1.20	190.00	228.00
		<u>12,260.50</u>		<u>\$2,858,933.50</u>

**2012 (1/1/12 - 3/5/12) SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME	TITLE	YEARADMITTED	HOURS	RATE	FEES
Sean Connelly	Partner	1983 (DC) 2002 (CO)	5.20	600.00	3,120.00
Michael A. Rollin	Partner	2003 (CO) 2007 (CA) 2010 (NY)	114.50	510.00	58,395.00
Caleb Durling	Associate	2007 (CO)	14.50	340.00	4,930.00
Marisa Hudson-Arney	Associate	2001 (CO)	28.50	385.00	10,972.50
Michael T. Kotlarczyk	Associate	2008 (IL) 2011 (CO)	1.00	285.00	285.00
John M. McHugh	Associate	2010 (NY)	17.70	285.00	5,044.50
Katie A. Roush	Associate	2007 (CO)	138.80	340.00	47,192.00
Matthew D. Spohn	Associate	2001 (CO)	185.00	385.00	71,225.00
Lindsay A. Unruh	Associate	2004 (CO)	0.00	385.00	0.00
Sam S. Bacon	Staff Attorney	2009 (CO)	0.10	225.00	22.50
Chandler Kelley	Staff Attorney	2009 (CO)	121.20	225.00	27,270.00
Jennifer J. Bulmer	Paralegal	N/A	268.30	200.00	53,660.00
Shannon L. Coggins	Paralegal	N/A	160.80	150.00	24,120.00
Kenneth H. Nakamura	Paralegal	N/A	17.70	130.00	2,301.00
Kathleen M. Porter	Paralegal	N/A	83.30	200.00	16,660.00
Larry Walsh	Paralegal	N/A	50.10	110.00	5,511.00
Elizabeth A. Wimmer	Paralegal	N/A	2.40	220.00	528.00
William R. Reed	Law Clerk		16.80	120.00	2,016.00
Randy Robinson	Law Clerk	N/A	17.30	120.00	2,076.00
Jessica Smith	Law Clerk	N/A	1.90	120.00	228.00
Casey C. Mogavero	Administration	N/A	23.30	50.00	1,165.00
Colin P. Pitet	Administration - IT	N/A	16.30	200.00	3,260.00

**2012 (1/1/12 – 3/5/12) SUMMARY OF SERVICES BY PROFESSIONAL FOR ALL MATTERS**

PROFESSIONAL NAME TITLE	YEAR ADMITTED	HOURS	RATE	FEES
		<u>1,284.70</u>		<u>\$ 339,981.50</u>

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	:
	:
<b>Debtors.</b>	:
	:
	:
-----X	

**Chapter 11 Case No.  
08-13555 (JMP)  
(Jointly Administered)**

**FINAL FEE APPLICATION OF REILLY POZNER LLP FOR  
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
AND REIMBURSEMENT OF EXPENSES**

Reilly Pozner LLP (“RP”), special counsel for Lehman Brothers Holdings Inc. (“LBHI”) and certain of its direct and indirect subsidiaries, as debtors and debtors in possession here (collectively, the “Debtors”), submits this Final Fee Application for compensation and reimbursement of expenses (the “Application”) seeking the entry of an Order pursuant to 11 U.S.C. §§330 AND 331 awarding compensation and expenses to RP for the period of January 19, 2009 through and including March 5, 2012 (the “Application Period”) of \$8,900,831.00 in compensation and \$814,929.41 for actual expenses, in accordance with the Fourth Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals dated April 14, 2011 (Docket No. 15997) (the “Monthly Compensation Order”), and granting related relief, and respectfully sets forth and represents as follows:

1. This Application is made pursuant to 11 U.S.C. §§105, 330 and 331 and the Monthly Compensation Order.
2. By order dated January 28, 2009 (Docket No. 2680), RP was retained by the Debtors as special counsel, effective *nunc pro tunc*, effective as of the Commencement Date, to

(i) prosecute loss recovery litigation and/or pre-filing settlement negotiations against sellers of mortgage loans on the secondary market and ancillary matters arising in such lawsuits; (ii) act as national coordinating counsel in nationwide loss recovery litigation; and (iii) representing the Debtors in connection with proofs of claims relating to the purchase, sale, or other transfer of mortgage loans.

### **Background**

3. Commencing on September 15, 2008 and periodically thereafter (as applicable, the “Commencement Date”), LBHI and certain of its subsidiaries commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors’ chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to §§1107(a) and 1108 of the Bankruptcy Code.

4. On September 17, 2008, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors pursuant to §1102 of the Bankruptcy Code (the “Creditors Committee”).

5. On September 19, 2008, a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI”). A trustee appointed under SIPA is administering LBI’s estate.

6. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334, and the Order of Reference of the United States District Court for the Southern District of New York, dated July 10, 1984 (Ward, Acting C.J.). This Court is the proper venue for this proceeding in accordance with 28 U.S.C. § 1409.

**The Application**

7. This Application is made pursuant to 11 U.S.C. §§105, 330 and 331, the Monthly Compensation Order, and the Memorandum issued by Godfrey Kahn dated March 7, 2012.

8. RP is a litigation firm of 30 attorneys, that, in this matter:

(i) prosecutes loss recovery litigation and/or pre-filing settlement negotiations against sellers of mortgage loans on the secondary market and ancillary matters arising in such lawsuits; (ii) acts as national coordinating counsel in nationwide loss recovery litigation; (iii) represents Debtors in connection with proofs of claims relating to the purchase, sale, or other transfer and servicing of mortgage loans. RP has extensive knowledge and experience in residential mortgage-backed securities ("RMBS") and secondary market litigation, and has represented Debtors and their affiliates in these types of matters since 2006. The firm has significant experience in the coordination and prosecution of national litigation strategies, including for Debtors and their affiliates.

9. RP has represented LBHI, directly or through its subsidiary Aurora Loan Services, LLC, since 2006 in loss recovery litigation. During that time, RP has represented LBHI and its affiliates in state and federal court litigation in several states and has overseen and coordinated the efforts of local and regional counsel. Over the course of its representation of the Debtors and their affiliates, RP has become familiar with the relevant business personnel and operations, as well as the legal matters described in this Application.

10. RP has opened a file bearing a separate client number for the Debtors. The Debtor's client number is 7331. All time and disbursements are billed to independent matters within the general client number.

11. This Final Application for fees and expenses addresses the unpaid, contested and/or outstanding fees and expenses remaining. Each Interim Application includes schedules of



RP professionals and paraprofessionals who performed services for the Debtors during the Compensation Period, the capacity in which each such individual was employed by RP, the legal department and discipline in which each individual practiced, the hourly billing rate charged by RP for services performed by such individual, and the aggregate number of hours expended by each individual in the performance of services on behalf of the Debtors and the charges billed therefore. The Interim Applications describe in great detail the extensive services performed during each interim period. The schedules attached to the Interim Applications categorize such services using descriptive project categories as requested by the Debtors, the Office of the United States Trustee for Region 2 (the "U.S. Trustee") and the fee committee appointed in these cases (the "Fee Committee"). The Interim Applications also include schedules specifying the categories of expenses for which RP is seeking reimbursement and the total amount for each such expense category. Copies of voluminous, detailed time and itemized expense records were furnished to the Debtors, the Court, the attorneys for the Official Committee of Unsecured Creditors (the "Creditors' Committee"), the U.S. Trustee, and the Fee Committee. The Interim Applications and the various affidavits filed in support of RP's retention are incorporated by reference as if set forth fully herein.

#### **Professional Services Rendered**

12. To date in this case, RP has been asked to assist the Debtors in mortgage loan-related litigation. Specifically, RP has researched, prepared, filed, litigated, and/or settled cases on behalf of Debtors against counterparties to purchases and sales of mortgage loans on the secondary mortgage market and mortgage securitizations; coordinated and supervised such litigation prosecuted by local and regional counsel; and administered the overall litigation effort. RP has also provided consulting services with Weil Gotshal & Manges LLP ("WGM") and

Alvaraz & Marsal (“A&M”) on transactions, litigation, and restructuring issues touching on Debtors’ purchase, sale, servicing, and securitization of residential mortgage loans.

13. RP regularly maintains records of time expended in the rendition of all professional services and records of costs and expenses incurred on behalf of the Debtors. These records were made substantially concurrent with the rendition of the professional services. All such records are available for inspection.

14. In addition to the services rendered above, RP also prepared monthly fee statements, and kept itself apprised of general issues in the case through review of the case docket and pleadings filed, and communications with WGM, as needed for the effective and administration of the litigation.

15. The foregoing services performed by RP were necessary and appropriate to the effective and efficient administration of the RMBS and secondary market litigation. The professional services performed by RP were in the best interests of Debtors, their creditors, and other parties in interest and were provided without unnecessary duplication of effort or expense. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and nature of the problems, issues, or tasks involved. The professional services were performed with expedition and in an efficient manner.

**The Requested Compensation Should Be Allowed**

16. “[R]easonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses” may be allowed to professionals retained pursuant to section 327 of the Bankruptcy Code. 11 U.S.C. § 330(a)(1); *In re Value City Holdings, Inc.*, 436 B.R. 300, 304 (Bankr. S.D.N.Y. 2010) (“Under the Bankruptcy Code, a debtor or a committee may seek court approval to ‘employ one or more . . . professional persons’ to assist in the administration of its estate. These professionals may then seek compensation in

accordance with the standards set forth in section 330(a) of the Bankruptcy Code.” (quoting 11 U.S.C. §§ 327(a), 328(a), 1103(a))).

17. “Section 330 authorizes the bankruptcy court to award the retained professional ‘reasonable compensation’ based on an after-the-fact consideration of ‘the nature, the extent, and the value of such services, taking into account all relevant factors.’” *In re Smart World Technologies, LLC*, 552 F.3d 228, 232 (2d Cir. 2009) (quoting 11 U.S.C. 330(a)). While the aggregate amount of RP’s fees and expenses is substantial, it is a product of, and directly related to the substantial RMBS-related claims, the complexity of the issues addressed in these chapter 11 cases and the skill, time and effort required to address the myriad issues that arose in connection with their administration. In this District, courts generally apply the “lodestar” test to determine whether a professional’s fees are reasonable under section 330 of the Bankruptcy Code. *See In re Tyson*, 2005 WL 3789356\*4 (Bankr. S.D.N.Y. 2005); *see also Goldberger v. Integrated Resources, Inc.*, 209 F.3d 43, 50 (2d Cir. 2000) (“[T]he lodestar approach is an accepted but not exclusive methodology in common fund cases.”). The lodestar test, which was developed by the United States Supreme Court in *Blum v. Stenson*, 465 U.S. 886 (1984), provides that an attorney’s fees are *prima facie* reasonable if they are the product of a reasonable number of hours multiplied by a reasonable billing rate. *Tyson* at \*4.

18. RP’s requested compensation is consistent with the governing standard in this Circuit and is more than reasonable under section 330 of the Bankruptcy Code. As set forth in the Interim Applications, RP’s hourly charges in these chapter 11 cases are the same rates RP charges for services performed in comparable matters and are based on the customary compensation charged by comparably skilled practitioners. Further, RP’s services, the majority of which were provided by a core team of professionals and staff intimately familiar with the

Debtors' RMBS and secondary market transactions, were provided in a highly efficient and timely manner.

19. The compensation requested by RP must be considered in the context of the substantial RMBS and secondary market issues present in the chapter 11 cases. RP analyzed, litigated, and/or settled hundreds of repurchase and indemnity claims against secondary market counterparties including loan purchasers and sellers, securitization trustees, government sponsored entities. RP was and remains responsible for more than \$70 billion in claims filed against debtors. As a percentage of administered assets and recoveries, RP's requested compensation is well within the range of fairness and reasonableness.

20. In the instant cases, RP respectfully submits that the professional services and the expenditures for which it seeks reimbursement in this Application were, at the time rendered, believed to be necessary for and beneficial to the Debtors and their chapter 11 estates. Accordingly, RP further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest.

21. All services for which compensation and reimbursement of expenses are requested by RP were performed for and on behalf of the Debtors. No agreement or understanding exists between RP and any other person for the sharing of compensation to be received for the services rendered in connection with RP's representation of the Debtors, and no action prohibited by §504 of the Bankruptcy Code has been, or will be, made by RP.

22. No previous application or motion for the relief requested herein has been made to this or any other Court.

### **Conclusion**

23. Based on the foregoing, RP respectfully submits that the services rendered in the instant case during the Final Application Period have been efficient and effective. RP will

continue to (i) represent the Debtors in prosecuting loss recovery litigation and/or pre-filing settlement negotiations against sellers of mortgage loans on the secondary market and ancillary matters arising in such lawsuits; (ii) act as national coordinating counsel in nationwide loss recovery litigation; and (iii) represent the Debtors in connection with proofs of claims relating to the purchase, sale, or other transfer of mortgage loans. As previously stated, RP seeks (i) an award of fees in the amount of \$8,900,831.00 and expenses in the amount of \$814,929.41, all incurred between January 19, 2009 and March 5, 2012; (ii) authorization for the Debtors to pay those amounts.

WHEREFORE, RP respectfully requests that this Court enter an Order consistent with the relief requested herein for such other and further relief as the Court deems just and proper.

DATED: July 5, 2012

Respectfully submitted,



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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	:
	:
<b>Debtors.</b>	:
	:
	:
	:
-----X	

**CERTIFICATION OF MICHAEL A. ROLLIN**

Michael A. Rollin, a member of the firm of Reilly Pozner LLP, ("Applicant"), attorneys authorized to provide legal services as Special Counsel to Lehman Brothers Holdings, Inc. ("LBHI"), and its affiliated debtors in the above referenced chapter 11 cases pursuant to an order of this Court. This certification is made in support of the Final Fee Application of Reilly Pozner LLP (the "Application") and in compliance with Rule 2016(a) and with the United States Trustee's Guidelines for Review Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330.

I have read the Application and I certify that the Application substantially complies with the Rule and the Guidelines.

DATED: July 5, 2012



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